

DENIED BY WALLACE

Assertion of Domination by
Rock Island Interests
Called "False."

COMMITTEE WORK UPHELD

James N. Wallace, president of the Central Trust Company, made vigorous reply yesterday to the attack upon him by Samuel Untermyer in a court action over Rock Island affairs on Friday. Mr. Wallace characterized as absolutely false the lawyer's assertion that the Rock Island bondholders' protective committee, headed by Mr. Wallace, was dominated by the same interests that had caused the shrinkage of the values of the Rock Island securities.

The financial district saw much of personal feeling in the attack upon Mr. Wallace. It was pointed out that Mr. Wallace had been one of the first to leave Wall Street in the work of reorganizing the organization, in which field he is regarded as one of the most able men in the community. In the reorganization of corporations which have been run down through mismanagement, misfortune or bad financing, with which the reorganizer has nothing to do, it falls to his lot and that of his committee to plan reorganizational measures which are necessarily drastic. The assets of the corporations being handled are to be conserved at all. Financial men who have been in close touch with difficult reorganizations pointed out that for this reason the reorganizer cannot afford to be guided by his own personality, which may or may not be ac-

Not Responsible for Debt.

In the financial committee, efforts by the Rock Island bondholders' minority committee to fasten upon Mr. Wallace and the protective committee responsibility in the matter of the debt of \$700,000 of the Chicago, Rock Island & Pacific Railroad Company, the Rock Island Company fell flat. The history of the debt and the way it was incurred so patent to all financial men that it implied that Mr. Wallace and the protective committee had no part in it in any way connected with it is regarded as absurd.

Mr. Wallace in his statement further more presented the commencement first of the debt and the manner in which it was created in failing to bring action to collect this money, by showing that would have been fruitless to have done anything else than wait for the full closure suit to make the claim.

The Wallace committee by the lawyer at alleged old "Jugling" of Rock Island affairs was thoroughly respected by the financial community most closely associated with the company and now unable of judging. THE SUN has

rects a misstatement in its publication of the court action, printed on Saturday wherein a headline read that the law accused Mr. Wallace of "blagging" by lawyer.

Work Strongly Approved.

The work of the Wallace protection committee in trying to devise a plan of reorganization has received the approval of thoughtful men in the first district as an effort directed at right lines to solve one of the most intricate and difficult problems a reorganization committee ever has been called upon to solve.

The plan was early proposed which was recognized by financial experts as most equitable to all parties concerned that could be devised under the difficult conditions existing. The drastic measures were partly responsible for the cure to obtain sufficient bondholders' support, were recognized as necessary unprejudiced financial men. Mr. Wallace and the members of the committee have been in the thickest sweat-throughout Rock Island negotiations.

Mr. Wallace's Statement.

Mr. Wallace's statement yesterday as follows:

The statement made that the committee of which the cooperation of the Moore interests is absolutely false, there is no warrant for such a real charge. The committee has acted only in the interests of the bondholders and the management of the company, guarantee of its good faith.

"A few days before the attack, Untermyer called upon me and expressed his approval in principle of the committee plan to take the stock and stock in the bondholders. In that conversation he outlined a scheme to form a committee to repurchase the stock when distributed, and wished to impose a new committee of which he was chairman. I declined to listen to his dictates, refused the invitation he then extended me to join his committee. His attack on the committee followed.

"The committee alleged claims of \$7,500,000 growing out of the sale of the Edison stock, no request was made that the Trust company should attempt the result, and counsel was sought. The result was that it had to be found that the expense upon the bondholders, before such action could have been terminated the pledged stock would be sold at foreclosure sale and

valid, can be enforced by the purchase of the stock at the foreclosure sale.

UNITED CIGAR STORES LTD.
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CROSS sales for each month of 1914 are considerably in excess of same month of 1913. Dividend on preferred payable Oct. 15th 1914.
Circular No. 1300 sent on request.

HARVEY A. WILLIS & CO.
(Established 1901)
32 Broadway New York, N. Y.

DIVIDENDS AND INTEREST.

The Reece Button Hole Machine Company
QUARTERLY DIVIDEND NO. 114
Quarterly dividend of three per cent has been declared, payable October 1st 1914.

tion.
State

28,280
27,728
27,579
26,432
26,372

1914
1915
1916
1917
1918

Francis A. Shea, President

The International Button Mole Sealing Machine Company

QUARTERLY DIVIDEND NO. 68

A quarterly dividend of one per cent has been declared, payable October 15, 1918, to stockholders of record at the close of business October 1, 1918.

FRANCIS A. SHEA, President

Reece Folding Machine Company

QUARTERLY DIVIDEND NO. 22

A quarterly dividend of one per cent has been declared, payable October 15, 1918, to stockholders of record at the close of business October 1, 1918.

FRANCIS A. SHEA, President

American Malt Corporation

15 Exchange Place, Jersey City, N. J.

Dividend No. 13 of one per cent on

ferred Stock is payable November 4, 1914.
 Stockholders of record of October 16,
 1914, will receive the same.
 Transfer books close at 3 P. M. Octo-
 ber 16, 1914.
 HENRY EGGGERKING, Treasurer
 September 30, 1914.